

Kevin A. Darby (NV SBN 7670)  
Tricia M. Darby (NV SBN 7956)  
DARBY LAW PRACTICE, LTD.  
4777 Caughlin Parkway  
Reno, Nevada 89519  
Phone: (775)322-1237  
Facsimile: (775) 996-7290  
kevin@darbylawpractice.com  
Attorneys for Petitioning and Joining Creditors

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEVADA**

In re: CASE NO.: BK-N-15-51635-btb  
Chapter 11

WATTENBERG OIL & GAS  
INVESTMENT GROUP, LLC ,

**DECLARATION OF STEVEN P. BRANDON**

Debtor.

Hearing Date: TBD  
Hearing Time: OST Requested

STEVEN P. BRANDON, under penalty of perjury, states as follows:

1. I am the Vice President of Operations for Elite Energy Engineering, LLC ("EEE").
2. Wattenberg Oil & Gas Investment Group, LLC ("WOGIG"), is the 100% member of EEE.
3. John Astengo and John Powell are the controlling management of WOGIG and EEE. Mr. Astengo and Mr. Powell used the WOGIG as an investment vehicle to raise capital for the acquisition and operation of EEE.
4. I can state with certainty that since March of 2015, at least \$3,000,000 has been given to EEE by WOGIG. This included the \$2,200,000 purchase price for EEE. Mr. Astengo and Mr. Powell have since withdrawn at least \$450,000 from EEE since acquiring the company in March, 2015. I believe those funds have gone to at least three separate entities.
5. I have witnessed John Astengo, in the presence of John Powell and others, willfully and intentionally mislead investors on multiple occasions to entice them to invest. John Astengo

1 also lied to me and Craig Williams during the purchase of EEE telling us that he was buying the  
2 company with his own money and that he had raised \$10,000,000 to operate the company. Craig  
3 Williams sold the company to John Astengo based on that knowledge.

4 6. On numerous occasions, John Powell has knowingly and willfully written checks with  
5 insufficient funds to cover those checks. He has withheld taxes, employee contribution's without  
6 paying those obligations. John Powel is working diligently to raise funds and is currently engaged  
7 in the business although largely unsuccessfully.

8 7. EEE has proven products and a highly skilled team that will all be gone very soon if  
9 we don't raise needed capitol and the investors will lose their investments. It is apparent that we  
10 cannot raise needed funding unless we can operate separate ourselves from theses nefarious  
11 characters and present a legitimate business.

12 8. John Powel has control of the bank accounts and we cannot deposit money only to  
13 have it taken away for unknown purposes.

14 9. As a result, EEE has not paid its insurance, rent, taxes or employees for many months.  
15 EEE has received a *Notice of Cancellation*, indicating that EEE's insurance policies for property  
16 insurance, general liability insurance and excess coverage will be cancelled on December 17,  
17 2015, for non-payment. A copy of the *Notice of Cancellation* is attached to this Declaration as  
18 Exhibit 1.

19 10. In addition, as of December 7, 2015, EEE owed a total of \$69,274.11 to its landlord,  
20 LaMonica Properties, for EEE's two properties. A copy of the most recent account statement for  
21 EEE is attached to this Declaration as Exhibit 2.

22 11. EEE also owes approximately \$58,264.75 in past due 941 Federal Payroll Taxes and  
23 various state payroll taxes. *See Exhibit 3, 4, 5 and 6.*

24 12. Even in light of the foregoing, EEE retains a tremendous amount of potential for  
25 success. With additional capital investments, plus competent and honest management, I believe  
26 EEE will be able to successfully move forward.

27 ///

28 ///



1 I support the appointment of a trustee for WOGIG, and support that trustee seizing  
2 control of EEE. I will work with and assist the trustee in any way I can.

3 DATED this 21<sup>st</sup> day of December, 2015.

4  
5   
6 STEVEN P. BRANDON  
7

8  
9  
10  
11  
12  
13  
14  
15  
16 EXHIBIT 1  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

**IPFS CORPORATION**

(IPFS)

201 W NORTH RIVER DR STE 301  
SPOKANE, WA 99201-2262  
PHONE (800)234-7373 - FAX: (509)327-9547**NOTICE OF CANCELLATION**REFER TO THIS  
ACCOUNT NO. IN ALL  
CORRESPONDENCE

ACCOUNT NUMBER

**WAS-366812****TO THE INSURED:**

You are notified that the policies listed below are cancelled for non-payment of an installment in accordance with the conditions and terms of the Premium Finance Agreement which incorporates a power of attorney. This cancellation is effective on the date indicated below, at the hour indicated in the policy as the effective time.

Funds received in this office on or after the cancellation date specified below will be credited to your account. The tender of such funds and their acceptance by IPFS does not constitute reinstatement of the account or of the scheduled policies. You may have a statutory duty to replace your automobile liability insurance on or before the cancellation date. Not applicable in VA.

If the return premiums from the insurance company are less than the unpaid balance of your account, you will be required to pay the difference to IPFS. You will hear from us as soon as we receive all return premiums if there is any remaining balance due.

**TO THE PRODUCER:**

The original of the NOTICE has been sent to the insured.

**AGENT**A & H INSURANCE COMPANY - RENO  
3301 S VIRGINIA ST STE 201  
RENO, NV 89502-4512**INSURED**ELITE ENERGY ENGINEERING, LLC  
20 INDUSTRIAL PKWY  
MOUND HOUSE, NV 89706-7750

MAILING DATE

12/14/15

EFFECTIVE DATE  
OF  
CANCELLATION

12/17/15

ACCOUNT  
BALANCE

\$10,223.70

**SCHEDULE OF POLICIES**

POLICY PREFIX AND NUMBER	EFFECTIVE DATE	FULL NAME OF INSURER AND GENERAL AGENT OTHER THAN SUBMITTING PRODUCER TO WHOM COPY OF THIS NOTICE WAS SENT	COVERAGE FIRE AUTO MAR I.M., CAS	POLICY TERM IN MONTHS COVERED BY PREM.	PREMIUM FINANCED
LHD420883	03/16/15	LANDMARK AMERICAN INS CO CROUSE & ASSOC OF NORTHERN CA	PRPRTY	12	\$25,000.00
000660670	03/16/15	JAMES RIVER INSURANCE CO CROUSE & ASSOC OF NORTHERN CA	FEES TAXES GL	12	727.5 896.88 \$20,000.00
		Continued on Schedule A	FEES TAXES		933.4 729.75

**TO THE INSURER:**

The policies listed above are HEREBY CANCELLED by IPFS on behalf of the insured in accordance with the authority given us by the insured to cancel the policies upon default in his payment to IPFS. The above insured and the producer(s) listed herein have been notified by ordinary mail of this cancellation.

The gross unearned premium (including unearned commission) is to be forwarded to IPFS, at the address shown above, promptly for credit to the insured's account.

**METHOD OF COMPUTING UNEARNED PREMIUMS TO BE PAID TO IPFS:**

The gross unearned premium computed in accordance with the appropriate table.

<b>INSURANCE COMPANY NOTE: PLEASE ATTACH REFUND CHECK OR COMPLETE AND RETURN ONE COPY</b>			
DATE OF CANCELLATION	AMOUNT OF REFUND \$	DATE REFUND WILL BE SENT	

**IPFS CORPORATION**  
(IPFS)

**SCHEDULE A**

**NOTICE OF CANCELLATION**

REFER TO THIS  
ACCOUNT NO. IN ALL  
CORRESPONDENCE

ACCOUNT NUMBER

**WAS-366812**

**AGENT**

A & H INSURANCE COMPANY - RENO  
3301 S VIRGINIA ST STE 201  
RENO, NV 89502-4512

**INSURED**

ELITE ENERGY ENGINEERING, LLC  
20 INDUSTRIAL PKWY  
MOUND HOUSE, NV 89706-7750

**SCHEDULE OF POLICIES**

POLICY PREFIX AND NUMBER	EFFECTIVE DATE	FULL NAME OF INSURER AND GENERAL AGENT OTHER THAN SUBMITTING PRODUCER TO WHOM COPY OF THIS NOTICE WAS SENT	COVERAGE	POLICY TERM IN MONTHS COVERED BY PREM	PREMIUM FINANCED
			FIRE, AUTO MAR, I.M., CAS		
000660690	03/16/15	JAMES RIVER INSURANCE CO CROUSE & ASSOC OF NORTHERN CA	EXCESS	12	\$7,000.00
			FEES TAXES		630.4 286

**EXHIBIT 2**

**EXHIBIT 2**

Service Address: 12 Industrial Parkway Units D Mound House, NV 89706				Amount Due	Amount Enc.
				\$42,866.82	
Date	Transaction			Amount	Balance
10/01/2015	INV #1057. Due 10/01/2015. Orig. Amount \$10,829.00.			10,829.00	10,829.00
10/27/2015	INV #1119. Due 11/01/2015. Orig. Amount \$1,114.94.			1,114.94	11,943.94
10/27/2015	INV #1120. Due 11/01/2015. Orig. Amount \$1,118.50.			1,118.50	13,062.44
10/27/2015	INV #1121. Due 11/01/2015. Orig. Amount \$1,118.51.			1,118.51	14,180.95
10/27/2015	INV #1122. Due 11/01/2015. Orig. Amount \$1,107.82.			1,107.82	15,288.77
10/27/2015	INV #1123. Due 11/01/2015. Orig. Amount \$1,193.26.			1,193.26	16,482.03
10/27/2015	INV #1124. Due 11/01/2015. Orig. Amount \$1,154.11.			1,154.11	17,636.14
10/27/2015	INV #1125. Due 11/01/2015. Orig. Amount \$1,082.90.			1,082.90	18,719.04
11/01/2015	INV #1058. Due 11/01/2015. Orig. Amount \$10,829.00.			10,829.00	29,548.04
12/01/2015	INV #1059. Due 12/01/2015. Orig. Amount \$10,829.00.			10,829.00	40,377.04
12/07/2015	INV #1135. Due 01/01/2016. Orig. Amount \$2,489.78.			2,489.78	42,866.82



## Statement

La Monica & Son  
 PO Box 20350  
 Carson City, NV 89721

Date
12/7/2015

To:
Elite Energy Engineering, LLC Attn: Susan 20 Industrial Pkwy Carson City, NV 89706

					Amount Due	Amount Enc.
					\$26,407.29	
Date	Transaction				Amount	Balance
10/01/2015	INV #441. Due 10/01/2015. Orig. Amount \$6,671.00.				6,671.00	6,671.00
10/27/2015	INV #458. Due 10/27/2015. Orig. Amount \$686.84.				686.84	7,357.84
10/27/2015	INV #459. Due 10/27/2015. Orig. Amount \$689.03.				689.03	8,046.87
10/27/2015	INV #460. Due 10/27/2015. Orig. Amount \$689.03.				689.03	8,735.90
10/27/2015	INV #461. Due 10/27/2015. Orig. Amount \$682.46.				682.46	9,418.36
10/27/2015	INV #462. Due 10/27/2015. Orig. Amount \$735.08.				735.08	10,153.44
10/27/2015	INV #463. Due 10/27/2015. Orig. Amount \$710.97.				710.97	10,864.41
10/27/2015	INV #464. Due 10/27/2015. Orig. Amount \$667.10.				667.10	11,531.51
11/01/2015	INV #442. Due 11/01/2015. Orig. Amount \$6,671.00.				6,671.00	18,202.51
12/01/2015	INV #443. Due 12/01/2015. Orig. Amount \$6,671.00.				6,671.00	24,873.51
12/07/2015	INV #465. Due 12/07/2015. Orig. Amount \$1,533.78.				1,533.78	26,407.29
CURRENT		1-30 DAYS PAST DUE	31-60 DAYS PAST DUE	61-90 DAYS PAST DUE	OVER 90 DAYS PAST DUE	Amount Due
1,533.78		6,671.00	11,531.51	6,671.00	0.00	\$26,407.29

**EXHIBIT 3**

**EXHIBIT 3**



**Business Payroll Services**  
 1650 W. 82<sup>nd</sup> Street  
 Suite 300  
 Bloomington, MN 55431  
 wells Fargo.com/biz/payroll

October 5, 2015

Elite Energy Engineering LLC  
 20 Industrial Pkwy  
 Mound House, NV 89706

Subject: Discontinuing services for your business payroll account

Dear Sue:

We appreciate your interest in Wells Fargo Business Payroll Services. However, because your funding account was overdrawn for at least 60 days, we needed to cancel your payroll services. We're providing information to help you prepare for the changes.

**Important next steps for your payroll taxes**

- Please deposit enough money in your overdrawn account to bring it to a positive balance and cover any payroll taxes due.

Note that instead of refunding \$58,264.75 in unpaid taxes collected from you previously, we will use this amount to offset the loss with your bank account.

- Going forward, you will be responsible for filing all of your remaining quarterly (including Qtr 3) and annual payroll tax returns.
- You will also need to make the following payroll tax deposits:

<u>Check date</u>	<u>Tax amount</u>	<u>Due date</u>
940 Fed Unemployment taxes	\$62.72	02/01/16
941 Fed taxes for Sept check date	\$51,768.90	10/15/15
NC State withholding	\$730.00	10/15/15
NV SUI & Bond xx quarter	\$5703.13	11/02/15
<b>Total</b>	<b>\$58,264.75</b>	

If you have questions, please call us at 1-888-736-6798, Monday – Friday, 7:00 a.m. to 8:00 p.m. Central Time.

Thank you.

Sincerely,

Finance and Accounting  
 Wells Fargo Business Payroll Services

**RECEIVED**  
 DEC - 3 2015

BY: \_\_\_\_\_



BRIAN SANDOVAL  
Governor

ROBERT R. BARENGO  
Chair, Nevada Tax Commission

DEONNE E. CONTINE  
Executive Director

STATE OF NEVADA  
DEPARTMENT OF TAXATION

Web Site: <http://tax.nv.gov>  
1550 College Parkway, Suite 115  
Carson City, Nevada, 89706-7937  
Phone: (775) 684-2000 Fax: (775) 684-2020  
Call Center: (866) 962-3707

LAS VEGAS OFFICE  
Grant Sawyer Office Bldg, Suite 1300  
555 E. Washington Avenue  
Las Vegas, Nevada, 89101  
Phone: (702) 486-2300 Fax: (702) 486-2373

RENO OFFICE  
4600 Kietzke Lane  
Building L, Suite 235  
Reno, Nevada, 89502  
Phone: (775) 687-9999 Fax: (775) 688-1303

HENDERSON OFFICE  
2550 Paseo Verde Parkway, Suite 180  
Henderson, Nevada, 89074  
Phone: (702) 486-2300 Fax: (702) 486-3377

ELITE ENERGY ENGINEERING LLC  
20 INDUSTRIAL PKWY  
MOUND HOUSE NV 89706-7750

Taxpayer ID: 1017830649  
Account No.: 102311444  
Period End Date: 09/30/2015  
Tax Type: SUT  
Correspondence ID: 1500009512548  
Date: 12/04/2015

## Delinquency Notice for Sales and Use Tax

Dear Taxpayer:

Our records indicate that the Sales and Use Tax return for period ending 09/30/2015 for account number 102311444 is past due.

Pursuant to NRS 372.360, a return must be filed whether or not sales or purchase occurred during the reporting period.

If you have not sent the return(s) with payment, please do so immediately. Returns may be found online at <http://tax.nv.gov>. Late filed returns may result in penalty and interest. Interest will continue to accrue on any unpaid tax at .75 percent per month. **\*For returns ending 04/30/2011 and prior, interest is calculated at 1 percent per month through 06/30/2011.**

**Failure to file the delinquent returns will result in a tax assessment for the period(s) based on the account's historical activity.**

If you believe this information is incorrect, please contact the Department at our toll free number 1-866-962-3707. If you have filed the return(s), please send a copy of the return(s) with proof of payment, if applicable, and include a copy of this notice.

If you are unable to pay the full amount of tax, penalty and interest within 30 days, you must still file the return but you may enter into a payment plan by visiting or calling one of our local offices shown above.

If your business has closed, indicate the date of closing: \_\_\_\_/\_\_\_\_/\_\_\_\_. Please note, you are required to file all returns up to the date the business ceased operations whether or not sales or purchases occurred during the reporting period.

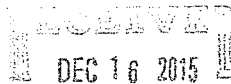
Signature: \_\_\_\_\_ Title: \_\_\_\_\_

Telephone Number: (\_\_\_\_) \_\_\_\_\_

Please retain a copy of this notice for your records.

Mail payment and completed return(s) to:

Nevada Department of Taxation  
1550 College Parkway, Suite 115  
Carson City, Nevada 89706-7937



Sincerely,

BY: \_\_\_\_\_

State of Nevada Department of Taxation

IF THE TAXPAYER HAS FILED BANKRUPTCY AND IS CURRENTLY PROTECTED BY THE BANKRUPTCY STAY,  
THEN THIS NOTICE IS FOR INFORMATIONAL PURPOSES ONLY AND NOT A DEMAND FOR PAYMENT OR  
AN ATTEMPT TO COLLECT, RECOVER OR OFFSET ANY DEBT AGAINST THE TAXPAYER.

**EXHIBIT 4**

**EXHIBIT 4**



BRIAN SANDOVAL

Governor

ROBERT R. BARENGO

Chair, Nevada Tax Commission

DEONNE E. CONTINE

Executive Director

STATE OF NEVADA  
DEPARTMENT OF TAXATION

Web Site: <http://tax.nv.gov>

1550 College Parkway, Suite 115

Carson City, Nevada, 89706-7937

Phone: (775) 684-2000 Fax: (775) 684-2020

Call Center: (866) 962-3707

LAS VEGAS OFFICE

Grant Sawyer Office Bldg, Suite 1300

555 E. Washington Avenue

Las Vegas, Nevada, 89101

Phone: (702) 486-2300 Fax: (702) 486-2373

RENO OFFICE  
4600 Kietzke Lane  
Building L, Suite 235  
Reno, Nevada, 89502  
Phone: (775) 687-9999 Fax: (775) 686-1303

HENDERSON OFFICE  
2550 Paseo Verde Parkway, Suite 180  
Henderson, Nevada, 89074  
Phone: (702) 486-2300 Fax: (702) 486-3377

ELITE ENERGY ENGINEERING LLC  
20 INDUSTRIAL PKWY  
MOUND HOUSE NV 89706-7750

Taxpayer ID: 1017830649  
Account No.: 102311444  
Period End Date: 09/30/2015  
Tax Type: SUT  
Correspondence ID: 1500009512548  
Date: 12/04/2015

## Delinquency Notice for Sales and Use Tax

Dear Taxpayer:

Our records indicate that the Sales and Use Tax return for period ending 09/30/2015 for account number 102311444 is past due.

Pursuant to NRS 372.360, a return must be filed whether or not sales or purchase occurred during the reporting period.

If you have not sent the return(s) with payment, please do so immediately. Returns may be found online at <http://tax.nv.gov>. Late filed returns may result in penalty and interest. Interest will continue to accrue on any unpaid tax at .75 percent per month. **\*For returns ending 04/30/2011 and prior, interest is calculated at 1 percent per month through 06/30/2011.**

**Failure to file the delinquent returns will result in a tax assessment for the period(s) based on the account's historical activity.**

If you believe this information is incorrect, please contact the Department at our toll free number 1-866-962-3707. If you have filed the return(s), please send a copy of the return(s) with proof of payment, if applicable, and include a copy of this notice.

If you are unable to pay the full amount of tax, penalty and interest within 30 days, you must still file the return but you may enter into a payment plan by visiting or calling one of our local offices shown above.

If your business has closed, indicate the date of closing: \_\_\_\_/\_\_\_\_/\_\_\_\_. Please note, you are required to file all returns up to the date the business ceased operations whether or not sales or purchases occurred during the reporting period.

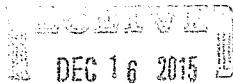
Signature: \_\_\_\_\_ Title: \_\_\_\_\_

Telephone Number: (\_\_\_\_) \_\_\_\_\_

Please retain a copy of this notice for your records.

Mail payment and completed return(s) to:

Nevada Department of Taxation  
1550 College Parkway, Suite 115  
Carson City, Nevada 89706-7937



Sincerely,

BY: \_\_\_\_\_

State of Nevada Department of Taxation

IF THE TAXPAYER HAS FILED BANKRUPTCY AND IS CURRENTLY PROTECTED BY THE BANKRUPTCY STAY, THEN THIS NOTICE IS FOR INFORMATIONAL PURPOSES ONLY AND NOT A DEMAND FOR PAYMENT OR AN ATTEMPT TO COLLECT, RECOVER OR OFFSET ANY DEBT AGAINST THE TAXPAYER.

**EXHIBIT 5**

**EXHIBIT 5**

## Employment Security Division

Contributions Section  
500 East Third Street  
Carson City, NV 89713-0030  
(775) 684-6300



# DETR

Nevada Department of Employment,  
Training and Rehabilitation

ONE NEVADA - Growing A Skilled, Diverse Workforce



2931724

<http://ui.nv.gov/ess>

ELITE ENERGY ENGINEERING LLC  
20 INDUSTRIAL PARKWAY  
CARSON CITY, NV 89706

RECEIVED  
NOV - 9 2015

BY: \_\_\_\_\_

## STATEMENT DATE

November 2, 2015

## EMPLOYER ACCOUNT NO.

035167400

## PAYMENT DUE DATE

November 17, 2015

## AMOUNT DUE

\$5,248.28

## AMOUNT ENCLOSED

\$

INCLUDE YOUR ACCOUNT NO. ON YOUR CHECK OR PAY ONLINE AT [HTTPS://UITAX.NVDETR.ORG](https://uitax.nvdetr.org) THEN SELECT  
EMPLOYER SELF SERVICE

## Employer Billing Statement

PAGE 1 OF 2

STATEMENT COVERS ACTION FROM 11/01/2015 THROUGH 11/02/2015. PAYMENTS,  
ADJUSTMENTS OR CHARGES AFTER 11/02/2015 WILL APPEAR ON YOUR NEXT STATEMENT

DATE	DESCRIPTION	QUARTER ENDING	TAX/ ASSESSMENT	PENALTY/ INTEREST DUE	JUDGMENT INTEREST	OTHER CHARGES	PAYMENT/ CREDIT	TOTAL CHARGES
------	-------------	-------------------	--------------------	-----------------------------	----------------------	------------------	--------------------	------------------

ACCOUNT NUMBER	PREVIOUS BALANCE	PAYMENTS/ CREDITS	CHARGES	NEW BALANCE *
035167400	\$5,248.28	\$0.00	\$0.00	\$5,248.28

\* ADD \$0.00 INTEREST FOR EACH MONTH OR FRACTION OF A MONTH BEGINNING December 1, 2015.

----- END OF STATEMENT -----

If you have any questions regarding this statement, call (775) 684-6300. When calling, please provide your ACCOUNT NUMBER listed above.

If there is an ACCOUNT BALANCE DUE, please pay online at <http://ui.nv.gov/ess> then select Employer Self Service or detach the top portion of this statement and return immediately with the payment to the above address.

*Nevada Unemployment Taxes for 3<sup>rd</sup> Qtr 2015.*



Report suspected UI Fraud online at <https://uifraud.nvdetr.org> or  
call (775) 684-0475



LET5609\_29.0.0



### Explanation of Charges

#### Contributory Employers:

- A **forfeit charge** of \$5.00 is imposed if a report is one or more days late. (NRS 612.740)
- **Penalty interest** is charged at the rate of .1% (.001) of taxable wages for the quarter, after the report is 10 days late, for each month or portion of a month until the report is filed. (NRS 612.740)
- **Interest** is charged for Contributory employers at the rate of 1% (.01) of past due taxable wages for the quarter, after the report is 10 days late, for each month or portion of a month until the report is filed. (NRS 612.620)

#### Reimbursable Employers:

- **Reimbursable charges** are due and payable not later than 30 days after a bill is mailed to the last known address of the Reimbursable employing unit. If payment is not made on or before the date due and payable, the whole or any part thereafter remaining unpaid bears interest at the rate of one-half percent (.5%) per month, or fraction thereof. (NRS 612.553)

**Interest** is charged for Reimbursable employers at the rate of .5% (.005) on past due Benefit Charges, for each month or portion of month until paid. (NRS 612.553)

#### Both Contributory and Reimbursable Employers:

- **Judgment interest** is charged at the rate of the prime interest rate plus 2% on the first working day of every January and July to determine the judgment interest rate for the following 6 months. (NRS 17.130)
- **Any payment not honored by your bank** is charged a processing fee of \$25.00. (NRS 612.618)
- **Credits** are the result of overpayments. Please deduct any credit from the amount due on future payments until the entire amount is used. You may request a refund online at <http://ui.nv.gov/ess> through Employer Self Service. The request must be made no later than 3 years after the date in which the payment resulting in an overpayment became due.

A refund will not be made with respect to payments that have been included in the determination of an eligible claim for benefits unless and until it is shown to the satisfaction of the administrator that such determination was due entirely to the fault or mistake of the Employment Security Division. (NRS 612.655)

For questions regarding this Employer Billing Statement, please call (775) 684-6300.

**EXHIBIT 6**

**EXHIBIT 6**

December 9, 2015

North Carolina Department Of Revenue  
**NOTICE OF COLLECTION**  
 WITHHOLDING  
 AMOUNT SHOWN DUE BUT NOT PAID IN FULL

NAME	TAXPAYER ID	ACCOUNT ID	NOTICE NUMBER
ELITE ENERGY ENGINEERING LLC	47-3198751	601001365	3710 527 151 205

**IMMEDIATE ACTION REQUIRED TO AVOID COLLECTION PROCEDURES.**

Your tax return reflected an amount due but you did not pay the amount shown due. The amount shown due and any penalties and interest associated with the amount shown due are immediately due and collectible.

North Carolina Department of Revenue records indicate the balance shown below is final and collectible. No further notice will be issued before legal action may begin. The Department of Revenue has the authority to begin collection procedures as outlined on the back of this notice and may proceed with one or more of the following actions:

- o Serve garnishments - Take 10% of your wages, withdraw money from your bank account - an action that may cause the bank to freeze funds in the account, or deduct the amount from money owed to you to pay this bill.
- o Issue certificates of tax liability - Put a lien on your real estate/land and other property, which may negatively affect your credit rating.
- o Seize assets - Have a sheriff or collection officer take property not exempt by law from seizure and have it sold to pay your tax debt.

If you believe this bill was resolved before the date of this notice, have questions, or would like to discuss your options, call toll-free at 1-877-252-3252 immediately.

When responding, provide your Taxpayer ID (SSN/FID) and Notice Number.

- > > Pay by credit/debit card or bank draft at [www.dorn.com](http://www.dorn.com). Click Electronic Services.
- > > Pay by credit/debit card or bank draft or obtain more information toll-free at 1-877-252-3252.
- > > Pay by mail - Send check or money order with the lower portion of this notice to P. O. Box 25000, Raleigh, NC 27640-0002. Enter the notice number on the memo line of the check or money order.

PERIOD: 10/01/15 - 10/31/15

TAX	PENALTY/FEE/INTEREST	INTEREST	TOTAL	LESS PAID	BALANCE DUE
730.00	73.00	1.70	804.70	730.00	74.70

**PAY THIS AMOUNT: \$ 74.70**

**EXPLANATION:**

- \$1.70 Interest on the tax has been computed at the applicable rate from the original due date of the return to the date of each payment.
- \$73.00 Your report of North Carolina income tax withheld was received without complete payment or the payment was late. A penalty of 10% of the tax has been assessed as required under G.S. 105-236(a)(4) for failure to withhold or pay the tax when due.

RECEIVED  
DEC 14 2015

BY: \_\_\_\_\_

Detach here and return lower portion with your payment to the address shown below.

N.C. Department of Revenue  
 P.O. Box 25000  
 Raleigh, NC 27640-0002

**NOTICE OF COLLECTION**  
 WITHHOLDING  
 AMOUNT SHOWN DUE BUT NOT PAID IN FULL

Date Issued: December 9, 2015

W  
 ACCOUNT ID: 601001365  
 TAXPAYER ID: 47-3198751  
 PERIOD: 10/01/15 - 10/31/15  
**PAY THIS AMOUNT: \$ 74.70**

ENTER AMOUNT OF PAYMENT.

\$

Make check payable to N.C. Department of Revenue.

3710 527 151 205 9  
 ELITE ENERGY ENGINEERING LLC  
 20 INDUSTRIAL PKWY  
 MOUND HOUSE NV 89706-7750

37109 5271512050 0000000 06114



0350109004

## North Carolina Taxpayers' Bill of Rights for a Self-Assessed Return

This **Bill of Rights for a Self-Assessed Return** explains your rights as a taxpayer. It gives information about:

- Protection of Privacy
- Examinations
- Representation
- Collection Options and Remedies
- Refund of Overpaid Tax
- Penalties and Interest
- Taxpayer Assistance

As a taxpayer, you are always entitled to fair, professional, prompt and courteous service. Our goal is to apply the tax laws consistently and fairly so that your rights are protected and that you pay only your fair share of North Carolina tax.

**Protection of Privacy:** It is your right to have information about your tax history, financial situation, and assessments or reviews kept in strict confidence. Any return information, correspondence, or departmental discussions concerning your tax situation are confidential. Employees or former employees who violate this confidentiality are subject to criminal prosecution and possible fines. An employee who willfully discloses tax information is also subject to dismissal.

**Examinations:** The Department of Revenue routinely examines returns to ensure that taxpayers comply with tax statutes. If we examine your return, we may ask you to provide information to verify items on your return.

Examinations are done by mail or through personal interviews with auditors. You have the right to ask that the examination be held at a time and place convenient for you and the auditor.

You are entitled to a fair examination and an explanation of any changes we propose to your return. Examinations do not necessarily mean additional taxes. Your case could be closed without any changes or you could receive a refund.

**Representation:** During any examination or conference, you may have an attorney, accountant, or designated agent present. You can authorize another person to represent you if you execute a written power of attorney. Form Gen. 58, Power of Attorney and Declaration of Representative, is on the Department's website at [www.dornc.com/downloads/fillin/Gen58\\_webfill.pdf](http://www.dornc.com/downloads/fillin/Gen58_webfill.pdf).

If you wish, the Department will suspend the proceedings at any time to permit you to consult with your authorized representative.

You may make an audio recording of the proceedings at your own expense with your own equipment. The Department may also audio record the proceedings. If we do so, you can get a copy of the transcript for a nominal charge.

**Collection Options and Remedies:** An assessment against you has become final and collectible. Your account has been assigned for collection. If the liability is not paid, North Carolina General Statutes authorize the Department of Revenue to pursue one or more of the following collection options:

- (a) Garnish your wages, salary or bank deposits;
- (b) File a Certificate of Tax Liability (i.e., a lien on your property);
- (c) Issue a warrant directing the sheriff, or a designated employee of the Department of Revenue, to levy upon and sell your property after 30 days from the date you filed your return;
- (d) Where criminal tax proceedings are initiated, request payment of taxes as a condition of any plea arrangement or as restitution upon any conviction;
- (e) Offset payments owed to you by the State of North Carolina.

If the Department of Revenue pursues the collection options set out above, the following options or remedies are available to you:

- (a) You can end the garnishment of your wages, salary, and bank deposits and the seizure of your property by making full payment of the liability;
- (b) You can secure the release of a Certificate of Tax Liability by making full payment of the liability;
- (c) You can seek the release of a Certificate of Tax Liability if you believe the judgment was filed in error, or the liability has become unenforceable due to the lapse of time, or the lien is creating an economic hardship for you, or the fair market value of the property exceeds the tax liability and release of the lien on part of the property would not hinder collection of the liability, or releasing the lien will increase the State's chances for collecting the tax;
- (d) You can seek to settle your outstanding liability by making an offer in compromise;
- (e) You can seek to enter into an installment payment agreement;
- (f) In the event criminal tax proceedings are initiated, you should contact your attorney and the prosecutor to determine your options.

If you wish to pursue any of these options or remedies, please contact the Department at the telephone number listed on the front of the Notice of Collection.

It is important that you respond promptly if we contact you for payment. If you do not pay the amount of tax, penalty, and interest you owe within 90 days after a notice of collection was mailed to you, the law requires the Department to add a 20% collection assistance fee to your debt. The fee does not apply if you enter into an installment payment agreement with the Department before the fee is imposed.

**Refund of Overpaid Tax:** If you believe you have overpaid your taxes, you have the right to file a claim for refund. Generally, you can apply for a refund of tax paid at any time within three years after the due date of the return or within two years of paying the tax, whichever is later. When you file a claim for refund, the Department will take one of the following actions within six months after the date the claim is filed: (1) send the requested refund to you; (2) adjust the amount of the refund; (3) deny the refund; or (4) request additional information. If the Department does not take one of the actions within six months, the inaction is considered a proposed denial of the requested refund. If we select your claim for examination, you have the same rights you would have during an examination of your return.

**Request for Review:** If you object to a proposed denial of refund, you may request a Departmental review of the action if the request is made in writing and is filed with the Department within 45 days after the date the notice was mailed to you. If a request for Departmental review is not filed in a timely manner, the proposed action is final and is not subject to further administrative or judicial review. To request a review, submit Form NC-242, Objection and Request for Department Review. The form is available at [www.dornc.com/downloads/nc242.pdf](http://www.dornc.com/downloads/nc242.pdf) or by calling toll-free 1-877-252-3052. Your request for a review should be mailed to North Carolina Department of Revenue, Customer Service, P. O. Box 471, Raleigh, NC 27602-0471.

If the issues cannot be resolved on review, the Department will issue a notice of final determination within nine months of the date that you filed the request for review. If you disagree with the notice of final determination, you may file a petition for a contested case tax hearing at the Office of Administrative Hearings. You must file the petition with the Office of Administrative Hearings within 60 days of the date the final determination is mailed to you by the Department. Visit the Office of Administrative Hearings website at [www.ncosh.com](http://www.ncosh.com) for further information. If you disagree with the final decision in the contested tax case before the Office of Administrative Hearings, you may file a petition in the Superior Court of Wake County for further judicial review of your case. However, you must pay the amount of tax, penalties, and interest the final decision states is due before filing the petition. (The appeal information given here is a general description of your appeal rights and does not cover all situations.) See Appeals Process at [www.dornc.com](http://www.dornc.com).

**Penalties and Interest:** By law, the Department of Revenue is required to assess penalties for the following:

- Late Filing of Returns
- Late Payment of Tax
- Negligence
- Fraud
- Bad Check or Bad EFT Payments

You have the right to request that penalties be waived. The Department waives penalties in accordance with its Penalty Waiver Policy, which is on the Department's website at [www.dornc.com/practitioner/waiverpolicy.pdf](http://www.dornc.com/practitioner/waiverpolicy.pdf). Interest accrues on unpaid taxes from the date the tax was due until the date it is paid. The law does not permit the Department to waive interest that accrues on unpaid taxes. To request penalty waiver, you should pay the tax and interest due and submit Form NC-3500, Request to Waive Penalties, located on the Department's website at [www.dornc.com/downloads/penalty.html](http://www.dornc.com/downloads/penalty.html) or by calling 1-877-252-3052. Your request for penalty waiver should be mailed to North Carolina Department of Revenue, Customer Service, P. O. Box 1168, Raleigh, NC 27602-1168.

**Taxpayer Assistance:** You can check the status of your individual income tax refund 24 hours a day, 7 days a week at 1-877-252-4052.

If you need tax forms or other general assistance with individual income, privilege license, withholding, sales and use or corporate and franchise taxes, please call 1-877-252-305. For bills and notices, please call 1-877-252-3252. For assistance with excise tax, please call 1-877-308-9092. For assistance with all other taxes administered by the Department of Revenue, please call 1-877-308-9103. You may also access the Department's website at [www.dornc.com](http://www.dornc.com), or you may write to the Department at:

**N. C. Department of Revenue  
Customer Service  
P. O. Box 1168  
Raleigh, NC 27602**

Recorded information on commonly asked individual income, withholding, sales and use and corporate and franchise tax questions is also available. You can call the Department of Revenue 24 hours a day, 7 days a week at 1-877-252-3052. The hearing impaired with TDD service can contact Relay North Carolina at 1-800-735-2962 for assistance.